



Central Intelligence Agency  
Office of the Deputy Director for Intelligence

7 April 1988

NOTE TO: ADDI

SUBJECT: Likely Issue at SSCI Budget  
Hearing on 12 April

1. The Comptroller has been alerted to six issues (see attached) that the SSCI might arise at the budget hearing on 12 April. The ExDir and the Comptroller will handle most of them, but two might involve you.

2. One is the [redacted] study, which CRES has briefed to you. The second is: Steps Taken to Comply with Committee Direction on Net Assessments. The attached report, prepared by SOVA, responds to that issue. [redacted] in Strategic Issues Group [redacted] is peg point for this topic.

3. The background material we sent you for the HPSCI hearing should cover questions about the DI's budget. Please let me know if you would like any further information.

Attachments:  
As stated

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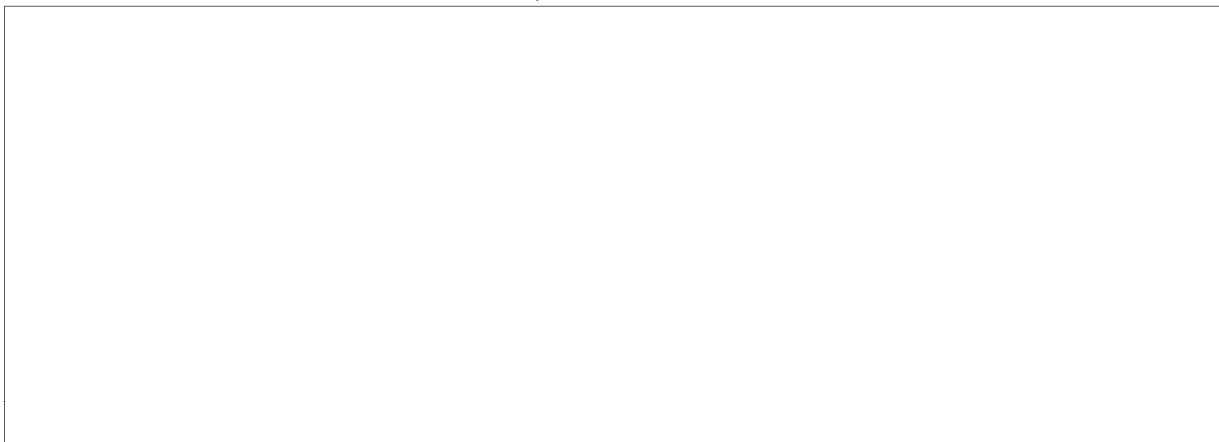
21 March 1988


MEMORANDUM FOR: Executive Director  
Deputy Director for Administration  
Deputy Director for Intelligence  
Deputy Director for Operations  
Deputy Director for Science and Technology

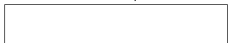
FROM: Daniel A. Childs, Jr.  
Comptroller


SUBJECT: SSCI Hearing Topics

1. We have been advised by the SSCI staff that our budget hearing on Wednesday, 23 March, will focus on the following six issues:



2. You should be prepared to respond to those issues that fall into your area of responsibility. 

3. Copies of this memorandum have been provided to your staffs. 

  
Daniel A. Childs, Jr.

SUBJECT: SSCI Hearing Topics

Distribution:

Orig - Addressees

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Comptroller: DACHilds, Jr:  (21 Mar 88) (Compt 88-333) (DCompt #1266)

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Background on Intelligence Community Net Assessments

- In 1981, because of concern over red-blue force comparisons in NIE 11-3/8, the DCI agreed to conduct net assessments jointly with DoD. OSD/NA with NIO/SP support produced the 1983 Joint Strategic Net Assessment (which was updated in 1985). The DI drafted the chapter on the "Soviet view" but had no responsibility for the conclusions of the report.
- In 1985, the Packard Commission recommended that the Chairman of the JCS, the Secretary of Defense, and the DCI produce net assessments. The commission recommended greater use of the Intelligence Community's expertise. The DDI responded negatively to recommendations that would entail large resource diversions.
- In 1986, NSDD 219 required the joint net assessment recommended by the Packard Commission, and the Goldwater-Nichols Act required the Chairman, JCS to provide independent net assessments. To coordinate this activity within DoD, the Net Assessment Coordinating Committee (NACC) was formed, chaired by the Under Secretary of Defense for Policy and the Director of the Joint Staff. The Chairman's first biannual net assessment was published in 1987.

Current Actions and Resource Impact

- The FY 1988/89 Intelligence Authorization Act (in the Nunn Amendment) requires the Intelligence Community to provide net assessments jointly with DoD. The amendment also calls for more "Soviet-view" net assessments, especially by the CIA.
- The NACC now is expanding its membership and charter in response to the Nunn Amendment. It will include the DDI (the DCI's point-of-contact for the CIA), the NIO/GPF (the DCI's point-of-contact for the IC), and the DIA. The Assistant Secretary of Defense for International Security Affairs now is a co-chairman, vice the Under Secretary of Defense for Policy.
- The DI has supported the NACC and the NIO/GPF efforts to provide to Congress a plan-of-action as required by the Nunn Amendment. According to the draft plan, the Intelligence Community would fully participate in the JCS Chairman's net assessments during the next year.
- Meanwhile, the DI has arranged to participate in the Total

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Force Capabilities Analysis, a wargame that supports the Chairman's net assessment of conventional forces. The DI also has been invited to participate informally in a DIA effort (also supporting the JCS) to assess Soviet strategic nuclear targeting. We expect these and similar activities will impose significant resource costs on us beginning as early as next month, and these costs can be expected to increase in FY 1989 and FY 1990.

- The DI also has selected three special "Soviet view" net assessments for the FY 1989 Research Program. We chose studies that would be important for net assessments and that would be feasible within current resource constraints (analyst slots and contract funding). They include Soviet views of their: SSBN survivability; strategic nuclear strike capabilities; and the conventional air balance in central Europe.
- These studies, together with support for the joint net assessments, will require a diversion of resources from our research program--roughly three analysts. The resource diversion will slow progress in areas such as Soviet perceptions of the US strategic modernization program, Soviet SSBN force operations in the 1990s, and changes to Soviet military doctrine. In addition, our support for drafting the National Intelligence Estimate on Soviet strategic nuclear forces will be curtailed in FY 1989. This year, for example, we are drafting four of the seven chapters and performing effectiveness calculations for a fifth.
- To deal with these resource constraints, the DI has submitted a New Initiative for FY 1990/91 for three analyst positions and  that would enable us to pursue "Soviet-view" net assessments and support NIE 11-3/8 at present levels while we meet our other responsibilities for supporting joint net assessments. In the future, however, we can expect net assessment studies to be more resource intensive because they would focus on new subjects, such as the effects of SDI and B1-B manned bomber deployments on Soviet plans and assessments. Under these circumstances, we would expect our requirement for analyst positions would increase.

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